

Louisville Metro Air Pollution Control District
850 Barret Ave., Louisville, Kentucky 40204
October 9, 2014

Federally Enforceable District Origin Operating Permit
Statement of Basis

Company: Lanning Chemical Company

Plant Location: 3000 Griffin Avenue, Louisville, Kentucky 40212

Date Application Received: 05/16/2014

Date of Public Notice:

District Engineer: Shannon Hosey

Permit No: O-0276-14-F

Plant ID: 276

SIC Code: 3493

NAICS: 332613

AFS: 276

Introduction:

This permit will be issued pursuant to District Regulation 2.17- *Federally Enforceable District Origin Operating Permits*. Its purpose is to limit the plant wide potential emission rates from this source to below major source threshold levels and to provide methods of determining continued compliance with all applicable requirements.

Jefferson County is classified as an attainment area for lead (Pb), nitrogen dioxide (NO₂), carbon monoxide (CO), 1 hr and 8 hr ozone (O₃), and particulate matter less than 10 microns (PM₁₀); is a non-attainment area for particulate matter less than 2.5 microns (PM_{2.5}); and partial non-attainment area for sulfur dioxide (SO₂).

Application Type/Permit Activity:

☐ Initial Issuance

☐ Permit Revision

☐ Administrative

☐ Minor

☐ Significant

☒ Permit Renewal

Compliance Summary:

☐ Compliance certification signed

☐ Source is out of compliance

☐ Compliance schedule included

☒ Source is operating in compliance

I. Source Information

1. **Product Description:** Lanning Chemical Company manufactures paint.
2. **Process Description:** Paint Manufacturing
3. **Site Determination:** There are no other facilities that are contiguous or adjacent to this facility
4. **Emission Unit Summary:**

Emission Unit	Equipment Description
U1	Eight (8) 1000 Gallon Storage Tanks Two (2) 560 Gallon Storage Tanks
U2	High-speed disperser
U3	Eleven (11) Mixing Tanks Two (2) Electric Mixers

5. **Fugitive Sources:** There are no fugitive source emissions at this facility.
6. **Permit Revisions:**

Revision No.	Issue Date	Public Notice Date	Type	Page No.	Description
146-01-F	6/30/2007	5/14/2007	Initial	Entire Permit	Initial Permit Issuance
O-0276-14-F	xx/xx/2014	10/09/2014	Renewal	Entire Permit	Renewal

7. **Emission Summary:**

Pollutant	Company Actual Emissions (tn/yr) 2008 Data	Pollutant that triggered Major Source Status (based on PTE)
CO	0	No
NO _x	0	No
SO ₂	0	No
PM ₁₀	3.20	No
VOC	2.76	Yes

Pollutant	Company Actual Emissions (tn/yr) 2008 Data	Pollutant that triggered Major Source Status (based on PTE)
GHG – CO _{2e}	0	No
Single HAPs > 1 tpy	None	No
Total HAP	1.24	No

8. Applicable Requirements:

☐ PSD ☐ 40 CFR 60 ☒ SIP ☐ 40 CFR 63
☐ NSR ☐ 40 CFR 61 ☒ District-Origin ☐ Other

9. MACT Requirements: The source has no future MACT requirements.

10. Referenced Federal Regulations in Permit: None

II. Regulatory Analysis

1. Acid Rain Requirements: Lanning Chemical Company is not subject to the Acid Rain Program.

2. Stratospheric Ozone Protection Requirements: Title VI of the CAAA regulates ozone depleting substances and requires a phase-out of their use. This rule applies to any facility that manufactures, sells, distributes, or otherwise uses any of the listed chemicals. Lanning Chemical Company does not manufacture, sell, or distribute any of the listed chemicals. The source's use of listed chemicals is that in fire extinguishers, chillers, air conditioners and other HVAC equipment.

3. Prevention of Accidental Releases 112(r): Lanning Chemical Company does not manufacture, process, use, store, or otherwise handle one or more of the regulated substances listed in 40 CFR Part 68, Subpart F, and District Regulation 5.15, *Chemical Accident Prevention Provisions*, in a quantity in excess of the corresponding specified threshold amount.

4. Basis of Regulation Applicability

Regulation	Basis for Applicability	Type
2.17	Federally Enforceable District Origin Operating Permits	SIP
5.00	Regulation 5.00 establishes emission limits for exempt "stationary sources" that would otherwise be subject to the STAR Program environmental acceptability goals.	SIP
6.13	Applicable to each VOC storage vessel that	SIP

Regulation	Basis for Applicability	Type
	commences construction or modification before April 19, 1972, and has a storage capacity greater than 250 gallons.	
6.24	Any affected facility using any organic materials which was in being prior to June 13, 1979.	SIP
7.25	Regulation 7.25 establishes requirements for VOC for equipment installed after June 13, 1979.	SIP

a. **Plant-wide**

Lanning Chemical Company is a potential major source for the pollutant VOC. Regulation 2.17 – *Federally Enforceable District Origin Operating Permits* establishes requirements to limit the plant wide potential emission rates to below major source threshold levels and to provide methods of determining continued compliance with all applicable requirements.

As defined by Regulation 5.00, section 1.13.5, in order to be an exempt stationary source in regards to STAR, the source has applied for an operating permit in accordance with Regulation 2.17 with emission limits that do not exceed the following:

Pollutant	Emissions (tpy)
VOC	25
Single HAP	5
Total HAP	12.5

Regulation 2.17, section 5.2, requires monitoring and record keeping to assure ongoing compliance with the terms and conditions of the permit. The owner or operator shall maintain all the required records for a minimum of 5 years and make the records readily available to the district upon request.

Regulation 2.17, section 7.2, requires stationary sources for which a FEDOOP is issued shall submit an Annual Compliance Certification by April 15, of the following calendar year. In addition, as required by Regulation 2.17, section 5.2, the source shall submit an Annual Compliance Report to show compliance with the permit, by March 1 of the following calendar year. Compliance reports and compliance certifications shall be signed by a responsible official and shall include a certification statement per Regulation 2.17, section 3.5.

b. Equipment:

EU	Emission Process	Description Make/Model	Applicable Regulation	Control Device
U1	E1	1000 Gallon Storage Tank	6.13	N/A
	E2	1000 Gallon Storage Tank		
	E3	1000 Gallon Storage Tank		
	E4	1000 Gallon Storage Tank		
	E5	1000 Gallon Storage Tank		
	E6	1000 Gallon Storage Tank		
	E7	1000 Gallon Storage Tank		
	E8	1000 Gallon Storage Tank		
	E9	560 Gallon Storage Tank		
	E10	560 Gallon Storage Tank		
U2	E11	High-speed disperser, make VHS400, manufacturer Schold	7.25	N/A
U3	E12	Mixing Tank	6.24	N/A
	E13	Mixing Tank		
	E14	Mixing Tank		
	E15	Mixing Tank		
	E16	Mixing Tank		
	E17	Mixing Tank		
	E18	Mixing Tank		
	E19	Mixing Tank		
	E20	Mixing Tank		
	E21	Mixing Tank		
	E22	Mixing Tank		
	E23	Electric Mixer		
	E24	Electric Mixer		

i. Standards/Operating Limits**1) VOC**

- i. VOC emissions from the equipment cannot exceed 25 tons, plant-wide, during any consecutive 12-month period per Regulation 2.17.
- ii. VOC emissions from equipment subject to Regulation 7.25 cannot exceed five (5) tons, plant-wide, during any consecutive 12-month period unless a BACT is submitted and approved.

- iii. Regulation 6.24 limits the pound per hour and pound per day emission of Class I, Class II and Class III Solvents.
- iv. Regulations 6.13, section 3.3 require submerged fill if the materials have an as stored vapor pressure of 1.5 psia or greater.

2) **HAP**

Regulation 2.17, section 5.1 establishes the requirement to include specific conditions in the permit to limit the plant-wide emissions of individual and total combined HAPs to be FEDOOP STAR Exempt.

III. Other Requirements

- 1. **Temporary Sources:** The source did not request to operate any temporary facilities.
- 2. **Short Term Activities:** The source did not report any short term activities.
- 3. **Emissions Trading:** N/A
- 4. **Operational Flexibility:** The source did not request any operation flexibility.
- 5. **Compliance History:**

Incid. #	Date	Regulation Violated	Result
05377	06/01/2004	Reg. 2.17, section 3, Failure to Comply with FEDOOP Permit	Agreement with fine 04/30/2010

6. **Calculation Methodology or Other Approved Method:**

The VOC emission calculations are based upon VOC content of the material used. The VOC storage tanks emissions are based upon the VOC content of the stored material and the amount of material in the tank.

The HAP emission calculations are based upon the throughput of HAP containing material used and weight percent of the HAP.

7. Insignificant Activities

Description	Quantity	Basis
Brazing, soldering or welding equipment	1	Regulation 1.02, Appendix A, section 3.4

- 1) Insignificant activities identified in District Regulation 1.02, Appendix A, may be subject to size or production rate disclosure requirements.
- 2) Insignificant activities identified in District Regulation 1.02, Appendix A, shall comply with generally applicable requirements.
- 3) Activities identified in Regulation 1.02, Appendix A, may not require a permit and be insignificant with regard to application disclosure requirement but may still have generally applicable requirements that continue to apply to the source and must be included in the permit.
- 4) Emissions from Insignificant Activities shall be reported in conjunction with the reporting of annual emissions of the facility as required by the District.
- 5) In lieu of recording annual throughputs and calculating actual annual emissions, the owner or operator may elect to report the pollutant Potential To Emit (PTE) quantity listed in the Insignificant Activities table, as the annual emission for each piece of equipment.
- 6) The Insignificant Activities Table is correct as of the date the permit was proposed for review by U.S. EPA, Region 4.
- 7) The owner or operator shall annually submit an updated list of insignificant activities, including an identification of the additions and removals of insignificant activities that occurred during the preceding year, with the compliance certification due April 15th.